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30 November-1 December 1986

- o This is the sixth session of our Senior Management Conference that we have held since we started in September 1983.
- o I think that these sessions have been and are very useful in a number of ways. First, they give us an opportunity to get together in an informal setting for a frank and free exchange of views which I believe is helpful for us all.
- o They afford the opportunity for us to highlight and discuss problems and issues and to seek practical and profitable solutions. A number of accomplishments have been achieved and initiatives begun as a result of discussions here. We shall hear about some of these accomplishments tomorrow.
- o In the past, our themes have centered to a large degree on budget issues and the difficult decisions that we have been and are called upon to make in light of serious budget constraints, although difficult intelligence questions have also been aired.
- o At this conference, we shall discuss those topics on which I believe that we must concentrate in 1987: support for theater commands, survivability, personnel issues, the impact of arms control proposals, and the continuing problems of narcotics, terrorism, and relocatable targets.
- o None of these is a new problem. In fact, we have been wrestling with some of them for a number of years. It is safe to say, though, that each one is increasing in intensity and critically, and that we must make a concerted effort to improve our collection and analysis on them.
- o We have some major decisions to make with regard to our approach to some of these issues, particularly survivability, and I hope that our discussions here will shed new light or lead to new initiatives which can be undertaken in 1987.

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- o Although the focus of our discussions are less directly focused on budgetary matters, we cannot forget that the fiscal climate has markedly changed and that whatever we do to improve our capabilities must be strictly prioritized, thoroughly justified, and whenever possible compensated for by tradeoffs of less urgent activities.
 - We will be making efforts in the IC Staff to strengthen the requirements and evaluation process to improve our understanding of priorities.
 - Major program managers will have to continue the close interaction in reviewing resource requests in a Community context as was done this fall.
- o Constraints though real cannot be allowed to become an excuse for inertia. Significant challenges face the Community which must be met by judicious allocation and reallocation of resources. Many of the topics are on the agenda of this conference. As so much of our planning has demonstrated.
 - The Soviet Union will continue to be the top priority intelligence target made increasingly complex by developments in data denial, technological modernization (mobile missiles, communications upgrades, etc.) and arms control initiatives.
 - The non-traditional topics of recent years, narcotics, terrorism, Third World instability will continue and increase in importance. The dangers to U.S. interests from these situations will be as immediate and critical as the threat from the USSR.
- o One of the issues which deserves our concern given the uncertain world of the future is support to military operations. The threat from terrorism, Third World instability, and shifting power structures increases the potential for commitment of U.S. forces in what is now widely referred to as "low intensity conflict."
 - I consider it a fundamental responsibility of national intelligence to provide to the commanders involved in military operations the products of the national intelligence in a timely and usable form.
 - To do this, we need clear expression from military commanders of their needs. We look to the emerging Theater Intelligence Architecture Plans to help us understand the requirements and through mutual interaction to develop the mechanisms and systems necessary to provide this support.
 - These mechanisms must span the entire intelligence cycle from requirements definition through collection management to processing, exploitation and dissemination.

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- We and the commanders must reach agreement on what is critical, build filters to prune the wealth of data, and tailor products which are compatible with reasonable achievable dissemination capabilities too much raw data is as bad as too little.
- o This is a major challenge for both the military and the Community. My staff is committed to working with the military in the TIAP process and ensuring that the procedures and resources necessary to improve the responsiveness of the national community to military needs are provided.
- o Lenny Perroots will lead the evening discussion on support to theater commanders and low intensity conflict.

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